

Delaware Sustainable Energy Utility
Meeting of the Oversight Board
Duncan Center, 500 W. Loockerman Street, 5th Floor, Dover, DE 19904
November 16, 2017 - 9:00 A.M.

Welcome

Senator McDowell, III called the meeting to order at 9:10 AM. Members present were Richard Jones (teleconference), Trey Paradee (teleconference), Kristopher Knight, Robert Underwood (proxy for Secretary Garvin, Department of Natural Resources and Environmental Control), Pam Bakerian (teleconference), Joseph Schorah, Andrew Slater, and Michael Chajes. Also present were Frank Murphy, General Counsel, Anthony DePrima, Suzanne Sebastian, Kate Bayard, and Lisa Gardner.

Members Absent: Sean Finnigan

1. Approval of Minutes - Oversight Board – September 21, 2017 – Mr. Underwood moved for approval of the minutes, seconded by Mr. Slater and unanimously carried.

2. SEU Business

a. 2016-2017 Financial Statement and Audit - Mr. Joseph Giordano and Mr. Emilio Rana, of Whisman, Giordano & Associates were present and briefly reviewed the 2016–2017 Financial Statement and Audit. He indicated the audit was successfully completed with no concerns encountered. Mr. DePrima reiterated that the positive report was the result of the teamwork between the DESEU staff, Kristina L. Mujica (Faw Casson), and Whisman, Giordano & Associates.

Mr. Knight moved to approve the 2016-2017 Financial Statement and Audit, seconded by Mr. Schorah and unanimously carried.

b. Solar Thermal Program Budget - Mr. DePrima stated that approximately three (3) years ago the DESEU began a deep subsidy to jump start solar thermal technology use in commercial buildings; we have widely exceeded this expectation. Action taken at the last Board meeting resulted in increasing the budget due to increased activity by one vendor, Intelligent Green Solutions (IGS), and an adjustment to the incentives so that they were better aligned with the market. When we learned more about IGS, it was discovered that there was an additional project pipeline with pending contracts with anticipated rebate requests of \$1.5 million.

Mr. DePrima recommended a budget increase in the amount of \$1.5 million to allow the projects in the pipeline to be reviewed by DNREC. He stated that as the calendar year closes, we would re-evaluate the incentive levels again, review the clients served by the rebate program (non-profit and commercial applicants), and review project caps for technology types since this program is part of a joint program in partnership with DNREC that also allows for geothermal systems. Additionally, clear notifications would be made public that this would be a capped budget, and once it is obligated, we would cease taking applications. The plan is to evaluate incentive levels that support the implementation of new technologies while phasing out incentives where market demand no longer requires incentives. We would also evaluate activity in our other programs to monitor participation levels and budget activity.

Mr. Schorah moved to approve a budget increase in the amount of \$1.5 million for the Solar Thermal-Geothermal Grant Program to allow DNREC to continue reviewing applications submitted into the online application portal; the motion was seconded by Mr. Knight and unanimously carried.

c. Electric Vehicle (EV) Workplace Charging Station – Contract – For several months the DESEU has been pursuing the installation of having an electric vehicle (EV) charging station placed at the Duncan Center for public usage. Mr. DePrima informed members that he has “charged” Mrs. Gardner with the implementation of this project. Mr. Robert Duncan (property and building owner) is in agreement with our proposal and will sign an amended lease agreement. Mrs. Gardner presented the location and costs associated with this project; a turnkey cost of approximately \$22,050. She informed the Board that once the charging equipment is operational, the DESEU would be eligible to apply for and receive a rebate in the amount of \$5,596.40 that is currently being offered by the Division of Energy and Climate. Some highlights are as follows:

- Dual port unit
- Includes a 5 year prepaid commercial cloud plan and software
- Cloud based App (Smart Phone)
- Unit is installed behind the meter; the DESEU will reimburse Mr. Duncan quarterly for the amount of electric used.

Mr. Slater stated that currently all charging stations are regulated as a utility; however, in January of 2018, the regulation will more than likely change.

Mrs. Gardner indicated that charging fees vary throughout the State and the DESEU can determine a charging fee at a later date.

Mr. Schorah moved to authorize the Executive Director to move forward with the execution of the amended lease agreement with Mr. Duncan, as well as, with the contract with ChargePoint.

Mr. Slater suggested that, due to limited rebate dollars available by Division of Energy and Climate, the DESEU forgo applying for the rebate and purchase the unit outright.

A second motion was made by Mr. Slater to not use the rebate being offered by the Division of Energy and Climate, seconded by Mr. Knight and unanimously carried.

d. Consideration of Statements - Mr. Schorah motioned to approve the following statements, seconded by Mr. Underwood and unanimously carried.

- i. Murphy & Landon – August/September 2017 (\$3,221)
- ii. NW Financial Group, LLC – August/September 2017 (\$1,278)

3. Election of Vice Chairman – Frank Murphy to Facilitate - Mr. Murphy informed the Board that Mr. Richard Jones was nominated for the Vice Chairman position. Mr. Murphy asked if there were any other nominations; with no response, he declared the nominations closed. Mr. Jones accepted the nomination and thanked the Senator and the Board for their confidence.

Mr. Slater moved in favor of nominating Mr. Jones for Vice Chairman of the Board, seconded by Mr. Schorah and unanimously carried with one (1) abstention (Mr. Jones).

4. RCPP Grant Award – Mr. DePrima indicated that no action is required from the Board on this matter; however, he wanted to inform the Board that EnSave, our Farm Program Implementer, approached us last spring with an idea to apply for a federal grant, approximately \$400,000, to leverage resources and encourage more Delaware farmers to participate in our program. Farmers often wait to receive funding through the Environmental Quality Incentive Program (EQUIP) which provides larger incentives, but funding requests often exceed and outpace the available funding in Delaware. Many producers lack the capital to invest in the equipment without financial assistance, and so they are left waiting to install the equipment for several years, which in turn, delays the benefits and cost savings these technologies provide.

This grant will match the Energize Delaware Farm Program funding and provide a greater percentage of the cost share to the producers than the DESEU funds alone. This RCPP grant will provide financial assistance funding for energy saving measures, as well as provide technical assistance funding to provide design-install-checkout services for the installation of the energy practices through a technical service provider (EnSave)—which is a requirement for the EQUIP funding.

The RCPP funding can supplement DESEU funding to make those projects more likely to occur, and will increase the overall level of energy savings realized by projects that might not otherwise be completed without this funding. Activities to be funded through this grant will spur interest and investment in energy conservation and renewable energy, deliver cost savings to Delaware producers, and address the resource concerns of energy, air quality, water quality and climate change. This program brings innovation to NRCS by drawing upon the extensive energy implementation experience of the DESEU and EnSave, and supports the USDA's Building Blocks for Climate Smart Agriculture and Forestry.

No Board action is required since expenses incurred to leverage additional projects and enhance the Energize Delaware Farm Program will be reimbursed through this RCPP grant.

4. Reports – The following reports were presented to the Board:

- a. Executive Director
- b. Program Manager
- c. Communications & Marketing Manager
- d. Budget Report – Ending October 31, 2017

5. New Business/Old Business - None

Meeting adjourned at 10:45AM.